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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CONSUMER SERVICES**

IN THE MATTER OF DETERMINING
Whether there has been a violation of the
Check Cashers and Sellers Act of Washington by:

WCS LOANS, INC., d/b/a
ADVANCE TIL PAYDAY,
and LOREN C. GILL, President and Owner,

Respondents.

NO. C-06-100-06-SC01

STATEMENT OF CHARGES,
ORDER TO CEASE AND DESIST,
and NOTICE OF INTENTION TO ENTER
AN ORDER TO REVOKE LICENSE, IMPOSE FINE,
ORDER RESTITUTION, BAN FROM INDUSTRY,
AND COLLECT INVESTIGATION FEE

INTRODUCTION

Pursuant to RCW 31.45.110 and RCW 31.45.200, the Director of the Department of Financial Institutions of the State of Washington (Director) is responsible for the administration of chapter 31.45 RCW, the Check Cashers and Sellers Act (Act). After having conducted an investigation pursuant to RCW 31.45.100, and based upon the facts available as of January 2, 2007, the Director institutes this proceeding and finds as follows:

I. FACTUAL ALLEGATIONS

1.1 Respondents.

A. **WCS Loans, Inc., d/b/a Advance Til Payday (WCS Loans)** was licensed by the Department of Financial Institutions of the State of Washington (Department) to conduct business as a check casher with a small loan endorsement on January 18, 1996, and continues to be licensed to date. Respondent WCS Loans is licensed to conduct the business of a check casher with a small loan endorsement at twenty-seven (27) locations. Respondent's main office is located at 10604 Bridgeport Way SW, Tacoma, WA 98499.

B. **Loren C. Gill (Gill)** is President and Owner of Respondent WCS Loans.

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1 **1.2 Examination.** On October 16, 2006, the Department conducted an onsite examination at the following
2 four branch locations:

3 1003 Fourth Ave. E., Olympia, WA 98506 (Branch One)

4 3924 S. Meridian St., Suite C, Puyallup, WA 98373 (Branch Two)

5 10604 Bridgeport Way SW, Tacoma, WA 98499 (Branch Three)

6 2515 Sixth Ave., Tacoma, WA 98406 (Branch Four)

7 Loan files were also obtained from the following additional locations:

8 11208 Bridgeport Way SW, Tacoma, WA 98499 (Branch Five)

9 2337 Olympic Hwy. N., Shelton, WA 98584 (Branch Six)

10 **1.3 Making Small Loans in Excess of Statutory Maximum at Multiple WCS Loans Locations.** Based
11 on reports produced by Respondent during the onsite examination discussed in paragraph 1.3, Respondents
12 have provided borrowers with small loans with total aggregated principals exceeding the statutory maximum of
13 seven hundred dollars (\$700) at any one time. The following represents some of the instances discovered by the
14 Department at six (6) of Respondents' twenty seven (27) branch locations.

15 **Borrower A**

16 A. On August 25, 2005, Borrower A obtained a \$700 loan from Branch One. On August 26, 2005,
17 with the \$700 loan from Branch One still outstanding, Borrower A obtained a \$600 loan from Branch Two for a
18 total aggregated principal of \$1,300.

19 On September 9, 2005, Borrower A repaid the August 25th loan and obtained another \$700 loan from
20 Branch One. That same day, Borrower A repaid the August 26th loan and obtained another \$600 loan from
21 Branch Two for a total aggregated principal of \$1,300.

22 On September 26, 2005, Borrower A repaid the September 9th loan and obtained another \$700 loan
23 from Branch One. That same day, Borrower A repaid the September 9th loan and obtained another \$600 loan
24 from Branch Two for a total aggregated principal of \$1,300.

1 On October 8, 2005, Borrower A repaid the September 26th loan and obtained another \$700 loan from
2 Branch One. At that time, the \$600 loan obtained from Branch Two on September 26th was still outstanding,
3 resulting in a total aggregated principal of \$1,300.

4 On October 26, 2005, Borrower A repaid the October 8th loan and obtained another \$700 loan from
5 Branch One. That same day, Borrower A repaid the September 26th loan and obtained another \$700 loan from
6 Branch Two for a total aggregated principal of \$1,400.

7 On November 10, 2005, Borrower A repaid the October 26th loan and obtained another \$700 loan from
8 Branch One. At that time, the \$700 loan obtained from Branch Two on October 26th was still outstanding,
9 resulting in a total aggregated principal of \$1,400.

10 On November 23, 2005, Borrower A repaid the November 10th loan and obtained another \$700 loan
11 from Branch One. That same day, Borrower A repaid the October 26th loan and obtained another \$700 loan
12 from Branch Two for a total aggregated principal of \$1,400.

13 On December 9, 2005, Borrower A repaid the November 23rd loan and obtained another \$700 loan from
14 Branch One. At that time, the \$700 loan obtained from Branch Two on November 23rd was still outstanding,
15 resulting in a total aggregated principal of \$1,400.

16 On December 23, 2005, with the \$700 loan from Branch Two still outstanding, Borrower A repaid the
17 December 9th loan and obtained another \$700 loan from Branch One. On December 24, 2005, with the \$700
18 loan from Branch One still outstanding, Borrower A repaid the November 23rd loan and obtained another \$700
19 loan from Branch Two for a total aggregated principal of \$1,400.

20 On January 10, 2006, Borrower A repaid the December 23rd loan and obtained another \$700 loan from
21 Branch One. At that time, the \$700 loan obtained from Branch Two on December 24th was still outstanding,
22 resulting in a total aggregated principal of \$1,400.

23 On January 25, 2006, Borrower A repaid the January 10th loan and obtained another \$700 loan from
24 Branch One. That same day, Borrower A repaid the December 24th loan and obtained another \$700 loan from
25 Branch Two for a total aggregated principal of \$1,400.

1 On February 10, 2006, Borrower A repaid the January 25th loan and obtained another \$700 loan from
2 Branch One. At that time, the \$700 loan obtained from Branch Two on January 25th was still outstanding,
3 resulting in a total aggregated principal of \$1,400.

4 On February 13, 2006, Borrower A obtained a \$700 loan from Branch Three. At that time, the \$700
5 loan obtained from Branch One on February 10th and the \$700 loan obtained from Branch Two on January 25th
6 were still outstanding, resulting in a total aggregated principal of \$2,100.

7 On February 24, 2006, with the \$700 loan from Branch Three still outstanding, Borrower A repaid the
8 February 10th loan and obtained another \$700 loan from Branch One. That same day, Borrower A obtained a
9 \$700 loan from Branch Five. On February 25, 2006, with the \$700 loans from Branches One and Five still
10 outstanding, Borrower A repaid the January 25th loan and obtained another \$700 from Branch Two for a total
11 aggregated principal of \$2,800.

12 On March 1, 2006, Borrower A repaid the February 24th loan and obtained another \$700 loan from
13 Branch One. That same day, Borrower A repaid the February 25th loan and obtained another \$700 loan from
14 Branch Two; repaid the February 13th loan and obtained another \$700 loan from Branch Three; obtained a \$700
15 loan from Branch Six; and repaid the February 24th loan and obtained another \$650 loan from Branch Five,
16 resulting in a total aggregated principal of \$3,450.

17 On March 24, 2006, with the \$650 loan from Branch Five still outstanding, Borrower A repaid the
18 March 1st loan and obtained another \$700 loan from Branch Two. On March 27, 2006, with the \$700 loan from
19 Branch Two still outstanding, Borrower A repaid the March 1st loan and obtained another \$700 loan from
20 Branch Five for a total aggregated principal of \$1,400.

21 **Borrower B**

22 B. On November 1, 2005, Borrower B obtained a \$700 loan from Branch One. That same day,
23 Borrower B obtained a \$700 loan from Branch Two for a total aggregated principal of \$1,400.

24 On December 1, 2005, with the \$700 loan from Branch One still outstanding, Borrower B repaid the
25 November 1st loan and obtained another \$700 loan from Branch Two. On December 2, 2005, with the \$700 loan

1 from Branch Two still outstanding, Borrower B repaid the November 1st loan and obtained another \$700 loan
2 from Branch One for a total aggregated principal of \$1,400.

3 On January 3, 2006, Borrower B repaid the December 2nd loan and obtained another \$700 loan from
4 Branch One. That same day, Borrower B repaid the December 1st loan and obtained another \$700 loan from
5 Branch Two for a total aggregated principal of \$1,400.

6 On February 1, 2006, with the \$700 loan from Branch One still outstanding, Borrower B repaid the
7 January 3rd loan and obtained another \$700 loan from Branch Two. On February 2, 2006, with the \$700 loan
8 from Branch Two still outstanding, Borrower B obtained a \$650 loan from Branch Five. On February 4, 2006,
9 with the \$700 loans from Branches Two and Five still outstanding, Borrower B repaid the January 3rd loan and
10 obtained another \$700 loan from Branch One for a total aggregated principal of \$2,050.

11 On March 1, 2006, Borrower B repaid the February 4th loan and obtained another \$700 loan from
12 Branch One. That same day, Borrower B repaid the February 1st loan and obtained another \$700 loan from
13 Branch Two, and repaid the February 2nd loan and obtained another \$650 loan from Branch Five for a total
14 aggregated principal of \$2,050.

15 On March 24, 2006, Borrower B repaid the March 1st loan and obtained another \$700 loan from Branch
16 One. That same day, Borrower B repaid the March 1st loan and obtained another \$700 loan from Branch Two
17 and a \$700 loan from Branch Three for a total aggregated principal of \$2,100.

18 **Borrower C**

19 C. On June 1, 2005, Borrower C obtained a \$700 loan from Branch Two. On June 2, 2005, with
20 the \$700 loan from Branch Two still outstanding, Borrower C obtained a \$300 loan from Branch Three for a
21 total aggregated principal of \$1,000.

22 On July 1, 2005, with the \$300 loan from Branch Three still outstanding, Borrower C repaid the June 1st
23 loan and obtained another \$700 loan from Branch Two. On July 2, 2005, with the \$700 loan from Branch Two
24 still outstanding, Borrower C repaid the June 2nd loan and obtained another \$500 loan from Branch Three for a
25 total aggregated principal of \$1,200.

On July 30, 2005, with the \$700 loan from Branch Two still outstanding, Borrower C repaid the July 2nd loan and obtained another \$500 loan from Branch Three. On August 3, 2005, with the \$500 loan from Branch Three still outstanding, Borrower C repaid the July 1st loan and obtained another \$700 loan from Branch Two for a total aggregated principal of \$1,200.

On September 1, 2005, Borrower C repaid the August 3rd loan and obtained another \$700 loan from Branch Two. That same day, Borrower C repaid the July 30th loan and obtained another \$600 loan from Branch Three for a total aggregated principal of \$1,300.

On September 30, 2005, Borrower C repaid the September 1st loan and obtained another \$700 loan from Branch Two. That same day, Borrower C repaid the September 1st loan and obtained another \$650 loan from Branch Three for a total aggregated principal of \$1,350.

On November 1, 2005, with the \$700 loan from Branch Two still outstanding, Borrower C repaid the September 30th loan and obtained another \$700 loan from Branch Three. On November 5, 2005, with the \$700 loan from Branch Three still outstanding, Borrower C repaid the September 30th loan and obtained another \$700 loan from Branch Two for a total aggregated principal of \$1,400.

On December 2, 2005, with the \$700 loan from Branch Two still outstanding, Borrower C repaid the November 1st loan and obtained another \$700 loan from Branch Three. On December 5, 2005, with the \$700 loan from Branch Three still outstanding, Borrower C repaid the November 5th loan and obtained another \$700 loan from Branch Two for a total aggregated principal of \$1,400.

1.4 Making Small Loans in Excess of Statutory Maximum at Multiple WCS Loans and Zippy Cash Locations. Respondents and Zippy Cash share common ownership. This structure has resulted in providing borrowers with small loans with aggregated principals exceeding seven hundred dollars (\$700) at any one time. At least two hundred (200) transactions involving at least fifteen (15) borrowers occurred between October 2004 and October 2006, including, but not limited to, the following:

- 1 **A.** Borrower AA had concurrent outstanding loans from at least one branch of Respondent WCS
2 Loans and one branch of Zippy Cash on at least six (6) occasions between November 2005
3 and May 2006 for total aggregated principals in excess of the statutory maximum.
- 4 **B.** Borrower BB had concurrent outstanding loans from at least one branch of Respondent WCS
5 Loans and one branch of Zippy Cash on at least eight (8) occasions between August 2005 and
6 March 2006 for total aggregated principals in excess of the statutory maximum.
- 7 **C.** Borrower CC had concurrent outstanding loans from at least one branch of Respondent WCS
8 Loans and one branch of Zippy Cash on at least fourteen (14) occasions between April of 2005
9 and March 2006 for total aggregated principals in excess of the statutory maximum.
- 10 **D.** Borrower DD had concurrent outstanding loans from at least one branch of Respondent WCS
11 Loans and one branch of Zippy Cash on at least twenty four (24) occasions between December
12 2004 and October 2006 for total aggregated principals in excess of the statutory maximum.
- 13 **E.** Borrower EE had concurrent outstanding loans from at least one branch of Respondent WCS
14 Loans and one branch of Zippy Cash on at least three (3) occasions between August and
15 October 2006 for total aggregated principals in excess of the statutory maximum.
- 16 **F.** Borrower FF had concurrent outstanding loans from at least one branch of Respondent WCS
17 Loans and one branch of Zippy Cash on at least twelve (12) occasions between April and
18 October 2006 for total aggregated principals in excess of the statutory maximum.
- 19 **G.** Borrower GG had concurrent outstanding loans from at least one branch of Respondent WCS
20 Loans and one branch of Zippy Cash on at least eight (8) occasions between April and June
21 2006 for total aggregated principals in excess of the statutory maximum.
- 22 **H.** Borrower HH had concurrent outstanding loans from at least one branch of Respondent WCS
23 Loans and one branch of Zippy Cash on at least twenty four (24) occasions between December
24 2004 and November 2005 for total aggregated principals in excess of the statutory maximum.
- 25

- 1 **I.** Borrower II had concurrent outstanding loans from at least one branch of Respondent WCS
2 Loans and one branch of Zippy Cash on at least twenty seven (27) occasions between
3 December 2004 and October 2006 for total aggregated principals in excess of the statutory
4 maximum.
- 5 **J.** Borrower JJ had concurrent outstanding loans from at least one branch of Respondent WCS
6 Loans and one branch of Zippy Cash on at least three (3) occasions between August and
7 October 2006 for total aggregated principals in excess of the statutory maximum.
- 8 **K.** Borrower KK had concurrent outstanding loans from at least one branch of Respondent WCS
9 Loans and one branch of Zippy Cash on at least eight (8) occasions between June and October
10 2006 for total aggregated principals in excess of the statutory maximum.
- 11 **L.** Borrower LL had concurrent outstanding loans from at least one branch of Respondent WCS
12 Loans and one branch of Zippy Cash on at least twenty (20) occasions between December
13 2004 and May 2006 for total aggregated principals in excess of the statutory maximum.
- 14 **M.** Borrower MM had concurrent outstanding loans from at least one branch of Respondent WCS
15 Loans and one branch of Zippy Cash on at least six (6) occasions between July and October
16 2006 for total aggregated principals in excess of the statutory maximum.
- 17 **N.** Borrower NN had concurrent outstanding loans from at least one branch of Respondent WCS
18 Loans and one branch of Zippy Cash on at least twenty three (23) occasions between January
19 2005 and October 2006 for total aggregated principals in excess of the statutory maximum.
- 20 **O.** Borrower OO had concurrent outstanding loans from at least one branch of Respondent WCS
21 Loans and one branch of Zippy Cash on at least fourteen (14) occasions between July and
22 October 2006 for total aggregated principals in excess of the statutory maximum.

23 **1.5 False Statements or Omissions of Material Fact on Application.** Addendum Nine (9) of the Check
24 Casher/Seller License Application requires applicants to disclose current or prior "regulatory enforcement
25 actions ... against the applicant in any state." Respondents' application, filed with the Department on November

1 10, 1995, states that "there has never been any regulatory enforcement action against the applicant, WCS Loans,
2 Inc., in any state." Respondent Gill did not disclose the administrative action taken against him individually by
3 the Attorney General of the State of Virginia on September 22, 1993, permanently enjoining Respondent Gill
4 from engaging in the business of making small loans in that state.

5 **1.6 Failure to Disclose Significant Developments.** Respondents failed to disclose significant
6 developments to the Department on at least two separate occasions.

7 A. On July 14, 2005, Respondent Gill was convicted of Assault in the Second Degree, a Class B
8 Felony, in Pierce County Superior Court. Respondent Gill failed to notify the Department of his conviction.

9 B. Respondents failed to notify the Department that Daniel M. Van Gasken acquired an ownership
10 interest in Respondent WCS Loans, Inc.

11 **1.7 On-Going Investigation.** The Department's investigation into the alleged violations of the Act by
12 Respondents continues to date.

13 14 II. GROUNDS FOR ENTRY OF ORDER

15 **2.1 Statutory Maximum Principal Amount of Small Loan.** Based on the Factual Allegations set forth in
16 Section I above, Respondents are in apparent violation of RCW 31.45.073(2) for making small loans to any
17 single borrower with aggregated principal exceeding seven hundred dollars (\$700.00) at any one time.

18 **2.2 False Statements or Omissions of Material Fact on Application.** Based on the Factual Allegations
19 set forth in Section I above, Respondents are in apparent violation of RCW 31.45.110(1)(e) for providing false
20 statements or omissions of material information on the application that, if known, would have allowed the
21 director to deny the application for the original license

22 **2.3 Failure to Disclose Significant Developments.** Based on the Factual Allegations set forth in Section I
23 above, Respondents are in apparent violation of WAC 208-630-460 for failing to disclose significant
24 developments to the Department.

1 **2.4 Authority to Issue Cease and Desist Order.** Pursuant to RCW 31.45.110, the Director is authorized
2 to issue a cease and desist order if a licensee is violating or has violated the Act including rules and orders;
3 commits any act or engages in conduct that demonstrates incompetence or untrustworthiness or is a source of
4 injury or loss to the public; provides false statements or omissions of material fact on the application that, if
5 known, would have allowed the director to deny the application for the original license; or knowingly commits
6 or is a party to any material fraud, misrepresentation, concealment, conspiracy, collusion, trick, scheme, or
7 device whereby any other person relying upon the word, representation, or conduct acts to his or her injury or
8 damage.

9 **2.5 Authority to Revoke License.** Pursuant to RCW 31.45.110, the Director may revoke a license if a
10 licensee is violating or has violated the Act including rules and orders; commits any act or engages in conduct
11 that demonstrates incompetence or untrustworthiness or is a source of injury or loss to the public; provides false
12 statements or omissions of material fact on the application that, if known, would have allowed the director to
13 deny the application for the original license; or knowingly commits or is a party to any material fraud,
14 misrepresentation, concealment, conspiracy, collusion, trick, scheme, or device whereby any other person
15 relying upon the word, representation, or conduct acts to his or her injury or damage.

16 **2.6 Authority to Impose Fine.** Pursuant to RCW 31.45.110, the Director may impose a fine, not to exceed
17 one hundred dollars per day for each day's violation of the Act, on any licensee or applicant, or any director,
18 officer, sole proprietor, partner, controlling person, or employee of a licensee or applicant, that is violating or
19 has violated the Act including rules and orders; commits any act or engages in conduct that demonstrates
20 incompetence or untrustworthiness or is a source of injury or loss to the public; provides false statements or
21 omissions of material fact on the application that, if known, would have allowed the director to deny the
22 application for the original license; or knowingly commits or is a party to any material fraud, misrepresentation,
23 concealment, conspiracy, collusion, trick, scheme, or device whereby any other person relying upon the word,
24 representation, or conduct acts to his or her injury or damage.

1 **2.7 Authority to Order Restitution.** Pursuant to RCW 31.45.110(2)(d), the Director may order restitution
2 to borrowers damaged by the licensee's violation of this chapter.

3 **2.8 Authority to Remove and Ban from the Industry.** Pursuant to RCW 31.45.110, the Director may
4 remove from office or ban from participation in the conduct of the affairs of any licensee any director, officer,
5 sole proprietor, partner, controlling person, or employee of a licensee that is violating or has violated the Act
6 including rules and orders; commits any act or engages in conduct that demonstrates incompetence or
7 untrustworthiness or is a source of injury or loss to the public; provides false statements or omissions of
8 material fact on the application that, if known, would have allowed the director to deny the application for the
9 original license; or knowingly commits or is a party to any material fraud misrepresentation, concealment,
10 conspiracy, collusion, trick, scheme, or device whereby any other person relying upon the word, representation,
11 or conduct acts to his or her injury or damage.

12 **2.9 Authority to Collect Investigation Fee.** Pursuant to RCW 31.45.050(1), RCW 31.45.100, WAC 208-
13 630-015, WAC 208-630-020, WAC 208-630-023 and WAC 208-630-02303, the Director shall collect from the
14 licensee the actual cost of an examination or investigation of the business, books, accounts, records, files, or other
15 information of a licensee or person who the Director has reason to believe is engaging in the business governed by
16 the Act. The investigation charge will be calculated at the rate of sixty-nine dollars and one cent (\$69.01) per hour
17 that each staff person devoted to the investigation, plus actual expenses.

18 19 **III. ORDER TO CEASE AND DESIST**

20 Based on the above Factual Findings and Grounds for Entry of Order and pursuant to RCW
21 31.45.110(1)(b), RCW 31.45.110(1)(c), and RCW 31.45.110(2)(b), the Director determines the acts and
22 conduct of Respondents WCS Loans, Inc., d/b/a Advance Til Payday and Loren C. Gill, and the continuation of
23 such conduct, is likely to cause substantial injury to the public. Therefore, the Director ORDERS that:
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1 **3.1** Respondents WCS Loans, Inc., d/b/a Advance Til payday and Loren C. Gill are to immediately cease
2 and desist from the making of small loans in excess of the statutory maximum at any one location or from
3 multiple locations.

4 **3.2** Respondents WCS Loans, Inc., d/b/a Advance Til Payday and Loren C. Gill are to retain all records of
5 any small loan or loan activity and make these records immediately available for the Department's inspection.
6

7 **IV. NOTICE OF INTENTION TO ENTER ORDER**

8 Respondents' violations of the provisions of chapter 31.45 RCW and chapter 208-630 WAC, as set forth in
9 the above Factual Allegations and Grounds for Entry of Order, constitute a basis for the entry of an Order under
10 RCW 31.45.110 and RCW 31.45.200. Therefore, it is the Director's intention to ORDER that:

11 **4.1** Respondent WCS Loans, Inc., d/b/a Advance Til Payday's license to conduct the business of a check
12 cashier with a small loan endorsement be revoked

13 **4.2** Respondents WCS Loans, Inc., d/b/a Advance Til Payday and Loren C. Gill jointly and severally pay a
14 fine of \$471,600 for the following:

15 **a.** Making twenty two (22) small loans to Borrower A in excess of the statutory maximum in violation
16 of RCW 31.45.073(2), calculated at \$100 per day for 340 days

17 **b.** Making nine (9) small loans to Borrower B in excess of the statutory maximum in violation of
18 RCW 31.45.073(2), calculated at \$100 per day for 204 days

19 **c.** Making ten (10) small loans to Borrower C in excess of the statutory maximum in violation of
20 RCW 31.45.073(2), calculated at \$100 per day for 227 days

21 **d.** Making (6) small loans to Borrower AA in excess of the statutory maximum in violation of RCW
22 31.45.073(2), calculated at \$100 per loan per day for 31 days

23 **e.** Making eight (8) small loans to Borrower BB in excess of the statutory maximum in violation of
24 RCW 31.45.073(2), calculated at \$100 per loan per day for 23 days

25 **f.** Making fourteen (14) small loans to Borrower CC in excess of the statutory maximum in violation
of RCW 31.45.073(2), calculated at \$100 per loan per day for 24 days

g. Making twenty four (24) small loans to Borrower DD in excess of the statutory maximum in
violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 15 days

h. Making three (3) small loans to Borrower EE in excess of the statutory maximum in violation of
RCW 31.45.073(2), calculated at \$100 per loan per day for 21 days

i. Making twelve (12) small loans to Borrower FF in excess of the statutory maximum in violation of
RCW 31.45.073(2), calculated at \$100 per loan per day for 14 days

j. Making three (3) small loans to Borrower GG in excess of the statutory maximum in violation of
RCW 31.45.073(2), calculated at \$100 per loan per day for 25 days

k. Making twenty four (24) small loans to Borrower HH in excess of the statutory maximum in
violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 14 days

l. Making twenty seven (27) small loans to Borrower II in excess of the statutory maximum in
violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 15 days

- m. Making three (3) small loans to Borrower JJ in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 21 days
- n. Making eight (8) small loans to Borrower KK in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 13 days
- o. Making twenty (20) small loans to Borrower LL in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 16 days
- p. Making six (6) small loans to Borrower MM in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 13 days
- q. Making twenty three (23) small loans to Borrower NN in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 24 days
- r. Making fourteen (14) small loans to Borrower OO in excess of the statutory maximum in violation of RCW 31.45.073(2), calculated at \$100 per loan per day for 25 days
- s. Making false statements or omissions of material fact on an application in violation of RCW 31.45.110(1)(e), calculated at \$100 per day for 365 days

- 4.3** Respondents WCS Loans, Inc., d/b/a Advance Til Payday and Loren C. Gill jointly and severally pay restitution to all affected borrowers for any interest or fees collected on small loans made in excess of the statutory maximum from October 2004 through the date of this order, including, but not limited to, at least \$1,940 collected from Borrower A, at least \$845 collected from Borrower B, and at least \$560 collected from Borrower C, as discussed in paragraph 1.2, and at least \$15,000 collected from Borrowers AA through OO, as discussed in paragraph 1.3
- 4.4** Respondent WCS Loans, Inc., d/b/a Advance Til Payday be banned from participation in the conduct of the affairs of any check casher or check casher with a small loan endorsement subject to licensure by the Director, in any manner, for a period of five (5) years
- 4.5** Respondent Loren C. Gill be banned from participation in the conduct of the affairs of any check casher or check casher with a small loan endorsement or check seller subject to licensure by the Director, in any manner, for a period of five (5) years
- 4.6** Respondent WCS Loans, Inc., d/b/a Advance Til Payday pay an investigation fee in the amount of \$12,421.80, calculated at \$69.01 per hour for the one hundred eighty (180) staff hours devoted to the investigation.

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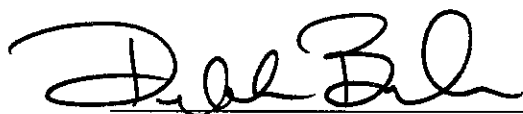
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1 IV. AUTHORITY AND PROCEDURE

2 This Statement of Charges, Order to Cease and Desist, and Notice of Intention to Enter an Order to Revoke
3 License, Impose Fine, Order Restitution, Ban from Industry, and Collect Investigation Fee (Statement of
4 Charges) is entered pursuant to the provisions of RCW 31.45.110 and RCW 31.45.200, and is subject to the
5 provisions of chapter 34.05 RCW (The Administrative Procedure Act). Respondents may make a written
6 request for a hearing as set forth in the NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY
7 FOR HEARING accompanying this Statement of Charges.

8
9 Dated this 3rd day of January, 2007.

10
11 

12 DEBORAH BORTNER
13 Acting Director
14 Division of Consumer Services
15 Department of Financial Institutions

16 Presented by:

17 

18 RAYME PEARSON
19 Financial Legal Examiner



20 Approved by:

21 

22 JAMES R. BRUSSELBACK
23 Enforcement Chief
24
25